



Board Charter

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1. INTRODUCTION

This Charter sets out the key roles and responsibilities of the Board of Directors (*Board*) of MyState Limited (*MYS* – the listed entity) and its subsidiary companies (together, the *Group*) within the legal and regulatory framework within which it operates.

Appendix A contains a list of *Board* approved policies that provide further detail on specific topics and, which, should be read in conjunction with this Charter.

2. ROLE OF THE BOARD

The *Board* is committed to upholding the highest levels of corporate governance and subscribes to the Corporate Governance Principles and Recommendations published by the ASX Corporate Governance Council in order to promote investor confidence in the company and within the broader market.

The role of the *Board* is to:

- a. Provide leadership and set the strategic direction of the *Group*;
- b. Oversee and evaluate the *Group* objectives, policies and performance;
- c. Act in the best interests of, and be accountable to, shareholders in monitoring the performance of the *Group*.

3. RESPONSIBILITIES OF THE BOARD

In overseeing and evaluating the performance of the *Group*, the *Board* has the following broad, key responsibilities:

Strategic and Corporate Objectives

- a. Set and review the strategic direction of the *Group*;
- b. Ensure effective governance practices are in place and reviewed regularly;
- c. Approve the corporate objectives of the *Group* and oversee management's implementation of the strategic initiatives;
- d. Approve annual targets including budgets and key performance indicators;

Shareholders and other stakeholders

- e. Approve the financial statements in accordance with applicable laws and accounting standards;
- f. Recommend appointment of the External Auditor to shareholders and ensure that the scope of audits are adequate;
- g. Determine the dividend policy including the amount, nature and timing of dividends to be paid;
- h. Report the affairs of the company to the shareholders and the market in accordance with the ASX continuous disclosure requirements;
- i. Arrange for an annual general meeting of shareholders to be held and ensure appropriate notice is provided to shareholders;

Risk Management

- j. Determine the risk appetite for the *Group* and ensure that appropriate policies, procedures and systems exist to identify, monitor and mitigate risks within the approved framework;
- k. Monitor compliance across the *Group* with all applicable laws and regulations;

Chief Executive Officer and Executive Management

- l. Appoint the Chief Executive Officer (CEO) and delegate appropriate operating authority, set CEO remuneration and monitor performance annually;
- m. Approve the Executive structure for the *Group* including the appointment and remuneration of Executives reporting to the CEO and monitor their performance annually;

- n. Ensure that succession plans exist for the CEO and Executives within the *Group*;
- o. Approve the remuneration framework for the *Group*;

Board Functions

- p. To ensure that meeting frequency is appropriate to the needs of the group and ensure that appropriate minutes are recorded;
- q. Annually review the performance of the *Board*;
- r. Establish appropriate *Board* committees with Charters to meet legal and regulatory requirements and the needs of the *Group*, and, annually review the Charter and performance of each committee;
- s. Be available to meet with regulators if and when required;
- t. Determine the level of remuneration paid to Directors within the limit approved by shareholders;

4. BOARD COMPOSITION

The composition of the *Board* is based on the following:

- a. The *Board* shall comprise Directors with a range of backgrounds and experience;
- b. The *Board* will always have a majority of Directors who are non-executive and are evaluated by the *Board* to be independent of judgement and character and free from material relationships with the *Group* and other entities and people that might influence or would be perceived by shareholders to influence such judgements;
- c. The individual qualities for all Directors of the *Group* shall be:
 - i. Deemed fit and proper to hold the position of Director in accordance with MyState's Fit and Proper policy;
 - ii. Unquestioned honesty and integrity;
 - iii. A proven track record of creating value for shareholders;
 - iv. Time available to undertake the responsibilities. Directors should devote the necessary time to the tasks entrusted to them and should consider the number and nature of their directorships and calls on their time from other commitments;
 - v. An ability to apply strategic thought to matters in issue;
 - vi. A preparedness to question, challenge and critique; and

- vii. A willingness to understand and commit to the highest standards of governance of the *Group*;
- d. The *Board* will review the skills represented by Directors on the *Board* and determine whether the composition and mix of those skills remain appropriate to achieve the *Group* objectives;
- e. Non-executive Directors will be engaged through a letter of appointment;
- f. The *Board* considers that diversity includes differences that relate to gender, age, ethnicity, disability, sexual orientation and cultural background. It also includes differences in background and life experience, communication styles, interpersonal skills, education, functional expertise and problem solving skills;
- g. The *Board* will maintain an appropriate mix of relevant skills, expertise and diversity. This enables it to discharge its responsibilities and deliver the *Group* objectives, as well as seek new ways of driving performance through innovation and entrepreneurship; and
- h. Persons nominated as Executive Directors must be of sufficient stature and security of employment to express independent views on any matter.

5. CHAIRMAN

The *Board* will appoint one of its members to be the Chairman in accordance with the Constitution to represent the *Board* to the shareholders and, in conjunction with the CEO as appropriate, the market.

The Chairman must be an independent Non-executive Director and cannot have been the CEO of MyState at any time during the previous three years.

The Chairman's role is to:

Leadership

- a. Be primarily responsible for the direction and effectiveness of the *Board*;
- b. Develop a productive, ongoing relationship with the CEO;
- c. Ensure that the CEO is aware of the *Board's* expectations in terms of performance and information;
- d. Ensure appropriate relationships exist between individual directors or the *Board* as a collective and the Executive team;
- e. Oversee and where appropriate participate directly in, the relationship between the company and its shareholders;

Chairing the Board

- f. Ensure that appropriate matters are brought before the *Board* for information, discussion, deliberation and decision, including matters which Directors may wish to raise;
- g. Chair *Board* meetings in a manner which results in clear and unambiguous *Board* decisions;
- h. Ensure *Board* discussions effectively address the matters before the *Board* and the critical issues (if any) facing the business;
- i. Foster a climate of openness, common purpose and debate where contributions from all members are encouraged and valued; and
- j. Ensure *Board* minutes properly record decisions and the business conducted at the meeting.

6. DIRECTORS

The statutory responsibilities of a Director are far reaching. There is a wide range of legislation that affects the duties and obligations of directors. Co-existing with the statutory obligations, a director also has a general law fiduciary responsibility to the *Group* and a general law duty to use due care and diligence in fulfilling the functions of the office.

Broadly, the Director's role is to:

General

- a. Use the powers of office with the level of skill and care required to discharge duties in good faith, honestly and for a proper purpose in the best interests of the *Group*;
- b. Understand the business of the *Group* and to act with the necessary care, diligence and commercial reasonableness in the decision making process;
- c. Make reasonable enquiries to ensure the *Group* is operating efficiently, effectively and legally in all of its activities and in doing so ensure timely and adequate information is being provided;
- d. Maintain an adequate understanding of legal responsibilities and knowledge of legislation and regulation governing the operations of the *Group*;
- e. Where appropriate, obtain, with the Chairman's approval, independent advice and assistance in carrying out duties and responsibilities;
- f. Adhere to the values and policies of the *Group* at all times in dealings with all stakeholders;

Performance

- g. Where practicable, attend all meetings of the *Board* or Committees of the *Board* to which membership is applicable;
- h. Prepare for meetings of the *Board* and relevant Committees of the *Board* by thoroughly reviewing all papers;
- i. Analyse, question, request information, raise matters of concern and fully canvas all aspects of any issue confronting the *Group*;
- j. Be independent in judgement and actions and take all reasonable steps to be satisfied as to the soundness of decisions taken by the *Board*;
- k. Vote on any resolution of the *Board* according to their own judgement and decision;
- l. Bring forward for discussion in a constructive and creative way suggestions and ideas in connection with the development, growth and improvement of the *Group* including prospective new business opportunities which are consistent with the strategic plan;
- m. Take all reasonable opportunities to represent, promote and demonstrate a commitment to the *Group* to shareholders, clients, and the wider business community and to the public at large;
- n. Scrutinise the performance of management in meeting agreed goals and objectives, and monitor the reporting of performance; and
- o. Be aware of the external, financial and regulatory environment and bring this knowledge to the *Board* to foster discussion and make informed decisions in the understanding of the external environment.

7. BOARD COMMITTEES

The *Board* has established Committees to assist the *Board* in exercising its obligations. The standing *Board* Committees are:

- *Group* Audit Committee;
- *Group* Risk Committee;
- *Group* Nominations and Corporate Governance Committee;
- *Group* Remuneration Committee; and
- *Group* Technology Committee.

The *Board* has approved a charter for each Committee which sets out the role and responsibilities of that Committee.

The *Board* may establish ad-hoc Committees from time to time to consider matters of special importance or to exercise delegated authority of the *Board*.

The *Board* will determine the membership and composition of *Board* Committees, having regard to skills, experience, workload and any regulatory requirements.

8. REVIEW PROCESS

The Group Nominations and Corporate Governance Committee shall review this Charter annually and recommend any changes to the *Board*.

Document Control Details

Owner	Board and Company Secretary
Version	1.1
Reviewed By	Group Nominations and Corporate Governance Committee - May 2017
Approved By	MyState Limited Board – 22 June 2017

APPENDIX A - SUPPORTING POLICIES AND DOCUMENTS

The *Board* has approved a suite of policies and documents which provide more specific detail in support of the contents of this Charter. These documents are contained in the Corporate Governance section of the MyState Limited website should be read in conjunction with this Charter. They include:

- Corporate Governance Statement
- Role of the Managing Director/Chief Executive Officer
- Non-Executive Director Appointment Letter
- Board Charter
- Group Audit Committee Charter
- Group Nomination and Corporate Governance Committee Charter
- Group Remuneration Committee Charter
- Group Risk Committee Charter
- Group Technology Committee Charter
- Board Committee Standing Procedures
- Anti-Money Laundering/Counter Terrorism Financing Policy
- Board Renewal and Evaluation Policy
- Code of Conduct
- Diversity Policy
- Dividend Policy Statement
- Dividend Reinvestment Plan
- Fit and Proper Policy
- Independent Director Standards
- Market Disclosure and Communications Policy
- Remuneration Policy
- Share Trading Policy
- Whistleblower Policy
- MYS Constitution